

Bridges and Ferries, to whom was referred

S. B. No. 11, A bill to be entitled "An Act to amend Article 627 and Article 628 of the Revised Statutes of the State of Texas, of 1911, so as to provide that any county, or any political subdivision or defined district now or hereafter defined, of a county, may issue bonds for the purpose of constructing and maintaining concrete bridges, concrete culverts, etc.,"

Have had the same under consideration and I am instructed by the said committee to report same back to the Senate with the recommendation that it do pass.

WOODS, Chairman.

(Floor Report)

Senate Chamber,

Austin, Texas, May 28, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Roads, Bridges and Ferries, to whom was referred

S. B. No. 18, A bill to be entitled "An Act to create a more efficient road system for Eastland County, Texas, defining the duties and powers of the commissioners court of said county, relative to roads and bridges and for other purposes,"

Have had the same under consideration and beg to report same back to the Senate with the recommendation that it do pass and be not printed.

WOODS, Chairman.  
WILLIFORD,  
CALDWELL,  
PAGE.

Committee Room,

Austin, Texas, May 28, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had Senate Bill No. 7 carefully compared and find same to be correctly engrossed.

FAUST, Chairman.

#### NINTH DAY.

Senate Chamber,

Austin, Texas.

Monday, May 31, 1920.

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Lieutenant Governor W. A. Johnson.

The roll was called, a quorum being present, the following Senators answering to their names:

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Suiter.
Dayton.	Westbrook.
Dean.	Williford.
Dudley.	Woods.
Faust.	

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.	Strickland.
-------	-------------

Prayer by the Chaplain, Rev. S. H. Morgan.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Smith.

#### Message from the Governor.

Mr. Ralph Soape, Secretary to the Governor, presented himself at the bar of the Senate with the following executive messages:

Governor's Office,

Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Senator Smith, I submit for your consideration the following subject, to-wit: "An Act creating the Mt. Enterprise Independent School District of Rusk County."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,

Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

At the request of Representative Marshall, I submit for your consideration the following subject, to-wit:

"An Act to amend Art. 3889 of the Revised Civil Statutes of 1911, as said article was amended by House Bill No. 449, Chapter 158 of the Regular Session of the Thirty-sixth Legislature of the State of Texas, as said article was amended by Senate Bill

No. 60, Chapter 20, of the Second Called Session of the Thirty-sixth Legislature of the State of Texas, relating to the maximum fees that may be retained by the county judge, sheriff, clerk of the county court, county attorney, clerk of the district court, collector of taxes, assessor of taxes, justice of the peace, and constables of counties of this State having population of less than twenty-five thousand; and providing for the fees of such county officers and their deputies and assistants in all counties of such population, and declaring an emergency."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Senator Witt, I beg to submit for your consideration the following subject, to-wit:

"An Act to amend Articles 3 and 4 of the Revised Statutes of the State of Texas, adopted at the Regular Session of the Thirty-second Legislature of 1911, providing for the adoption of a child where the parent or parents have voluntarily abandoned such child."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Representative Curtis, I beg to submit for your consideration the following subject, to-wit:

"An Act to establish a system of public roads and bridges for Tarrant County."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Senator Davidson, I beg to submit for your consideration the following subject, to-wit:

"An Act increasing the salary of the official court reporter for the

eighteenth judicial district of Texas to the sum of eighteen hundred (\$1,800.00) dollars; providing the manner of payment of such salary, and declaring an emergency."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 29, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Senators Bledsoe, Buchanan of Scurry, Gibson and Hall, I submit for your consideration the following subject, to-wit:

"An Act providing that no person shall be required to list for taxation bonds and other evidences of indebtedness issued by the State of Texas or any county, city, school district, improvement district, or other municipal corporation, in the State of Texas, and declaring an emergency."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 31, 1920.

To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Representative Beason, I submit for your consideration the following subject, to-wit:

"An Act to amend Section No. 1 of Chapter 58 of the local and special laws of the State of Texas, passed by the Thirty-sixth Legislature, at its Regular Session, which act was an amendment of the act creating the Winnie Independent School District, in the counties of Chambers and Jefferson in the State of Texas."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

#### Message from the House.

A messenger from the House appeared at the bar of the Senate with the following Message.

Hall of the House of Representatives,  
Austin, Texas, May 28, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has adopted H. C. R. No. 5, extending

ing the greetings of the Legislature to the President of the United States.

Respectfully submitted,

NOEL K. BROWN,

Chief Clerk House of Representatives.

#### Petitions and Memorials.

See Appendix.

#### Committee Reports.

See Appendix.

#### Bills and Resolutions.

By Senator Gibson, by request of Educational Committee:

S. B. No. 31, A bill to be entitled "An Act to amend Article 2758, Chapter 12, Title 48, of the Revised Civil Statutes of the State of Texas, 1911, as amended by S. B. No. 26, Chapter 41 of the General Laws of Texas, passed by the Fourth Called Session of the Thirty-fifth Legislature, relating to the salaries of county superintendents of public instruction, increasing the salaries of said county superintendents, providing for office expenses, adding thereto Article 2758a, extending the jurisdiction and control of county superintendents to independent school districts containing a scholastic population of one thousand or less and providing for appointment to fill unexpired terms, declaring an emergency."

Read first time and referred to Committee on Educational Affairs.

By Senator Davidson:

S. B. No. 32, A bill to be entitled "An Act increasing the salary of the official court reporter for the 80th Judicial District of Texas to the sum of \$1,800; providing the manner of payment of such salary, and declaring an emergency."

Read first time and referred to Committee on Judicial Districts.

By Senator Alderdice:

S. B. No. 33, A bill to be entitled "An Act to amend Chapter 87, Gen-

eral Laws of the Thirty-sixth Legislature, Second Called Session, 1919, entitled 'An Act making appropriations for the State Government for two years beginning September 1st, 1919, and ending August 31st, 1921, and for other purposes, and prescribing certain regulations and restrictions in respect thereto, and declaring an emergency,' in so far as said Act relates to the salaries of assistants in the State Reclamation Department; readjusting the salaries of such assistants for the three months ending August 31, 1920, and for the year ending August 31st, 1921, abolishing the position of one technical assistant in said Department by repeal of the item appropriating the salary therefor, and declaring an emergency."

Read first time and referred to Committee on Finance.

By Senator Dudley, by request:

S. B. No. 34, A bill to be entitled "An Act making an appropriation for the support of the State Fire Insurance Commission of the State of Texas for the year beginning September 1, 1920, and ending August 31, 1921, providing the amount shall be paid from revenue from tax on insurance companies and repealing the appropriation for such purpose contained in Chapter 87 of the Second Called Session of the Thirty-sixth Legislature and all laws in conflict herewith, and declaring an emergency."

Read first time and referred to Committee on Finance.

By Senator Dudley, by request:

S. B. No. 35, A bill to be entitled "An Act to amend Section 29 of Chap. 106, General Laws of the Regular session of the Thirty-fifth Legislature, same being 'An Act to amend Sections 5, 6, 8, 9 and 29 of Chap. 106 General Laws of the Regular Session of the Thirty-third Legislature approved April 2, 1913, the same being 'An Act to repeal Chap. 8 of the General Laws of the Fourth Called Session of the Thirty-first Legislature of the State of Texas, approved Sept. 6, 1910, known as the State Insurance Board Law, and to provide conditions upon which fire insurance companies may hereafter transact business in the State of Texas, and to create the State

Fire Insurance Commission and to prescribe its duties and authority and the duties and authority of each member thereof and to fix the salaries of the members and to provide for their appointment and removal and to provide that hereafter the rate of premiums to be charged by fire insurance companies in this State shall be fixed and determined and promulgated exclusively by said State Fire Insurance Commission; to provide certain conditions and limitation on fire insurance contracts or policies and providing penalties for violations of provisions of this Act and appropriating money necessary to carry out its provisions and declaring an emergency' so that hereafter said sections 5, 6, 8, and 9 and 29 of said Chapter 106 shall provide in substance; to fix the salaries of the members of the State Fire Insurance Commission and to provide for an assessment of one and one-fourth (1¼) per cent on the gross premiums of all fire insurance Companies doing business in this State to be expended in carrying out the provisions of this Act and limit the aggregate expenditures of the Commission for all purposes, including the salaries of the members thereof, in any one year, to the sum of one hundred and thirty thousand dollars (\$130,000) and to prescribe the duties and powers of the State Fire Insurance Commission with respect to the collection and classification of data pertaining to fires and the fixing and promulgation of rates of premiums based upon such data, to prescribe the powers and duties of the Fire Marshal of the State Fire Insurance Commission relating to the investigation of fires and the correction of fire hazards, and declaring an emergency,' removing therefrom the limitation on the amount of expenditures by the State Fire Insurance Commission, and appropriating all of the funds collected from Insurance companies under said section for the use of the State Fire Insurance Commission, and declaring an emergency."

Read first time and referred to Committee on Insurance and Banking.

By Senator Clark:

S. B. No. 36, A bill to be entitled, "An Act to repeal all special road

laws heretofore enacted for Fayette County, Texas, except Chapter 2 of the local and special laws passed at the regular session of the Thirty-sixth Legislature, which act authorizes the levy and collection annually of a \$5.00 road tax against all able-bodied citizens of Fayette County who are between the ages of twenty-one and sixty years, and authorizing Fayette County, Texas, or any political subdivision or defined district thereof to issue road bonds under the provisions of the general law; validating bond elections heretofore held in certain defined road districts within said county; and declaring an emergency."

Read first time and referred to Committee on Roads, Bridges and Ferries.

By Senator Bailey:

S. B. No. 37, A bill to be entitled "An Act to aid the City of Rockport in constructing revetments and shore protections to widen and raise the grade of the street adjacent to the Bay upon which said City is located and to erect and maintain a municipal commercial wharf, bathing house and pavilion and to acquire lands necessary for widening and raising the grade of Front Street adjacent to said Bay, all for public use, by donating to said city the ad valorem taxes to be collected by the State of Texas on all property and from all persons owning property in Aransas County, Texas, and for a period of twenty years and to authorize said city to issue bonds for the purpose mentioned and to provide a penalty for the misapplication of funds raised therefrom, and to declare an emergency."

Read first time and referred to Committee on Civil Jurisprudence.

By Senators Bledsoe, Buchanan of Scurry, Gibson and Hall:

S. B. No. 38, A bill to be entitled "An Act providing that no person shall be required to list or render for taxation bonds and other evidences of indebtedness issued by the State of Texas or any county, city, school district, or other municipal corporation, in the State of Texas, and declaring an emergency."

Read first time and referred to Committee on Civil Jurisprudence.

By Senator Bledsoe:

S. B. No. 39, A bill to be entitled "An Act to amend Title 116 of the Revised Civil Statutes of the State of



Texas as amended by the Acts of the Regular Session of the Thirty-sixth Legislature, Chapter 144, approved March 31, 1919, by adding thereto Article 6766b, providing for the appointment by the Governor of bona fide inspectors of certain Livestock Associations as Rangers and creating such appointees a Reserve State Ranger Force, and declaring an emergency."

Read first time and referred to Committee on Stock and Stock Raising.

By Senator Bledsoe:

S. B. No. 40, A bill to be entitled "An Act creating and incorporating the Lorenzo Independent School District, in Crosby County and Lubbock County, Texas, and defining the boundaries thereof, providing for a Board of Trustees, etc., and declaring an emergency."

Read first time and referred to Committee on Educational Affairs.

By Senator Smith:

S. B. No. 41, A bill to be entitled "An Act creating the Mt. Enterprise Independent School District of Rusk County; defining its boundaries etc., and declaring an emergency."

Read first time and referred to Committee on Educational Affairs.

By Senator Floyd:

S. B. No. 42, A bill to be entitled "An Act to repeal Article 7314f, Article 7314g, Article 7314h, Article 7314n, and Article 7314r, Chapter 8, Acts of the Regular Session of the Thirty-fifth Legislature of Texas of 1917 and amend Article 7314e so that upon the petition of seventy-five resident property tax paying citizens of any county in Texas they may petition the Commissioners' Court of any County in Texas to order an election to determine whether the County shall take up and prosecute the work of Tick Eradication in said County or whether said County shall by vote and petition as above, discontinue the work of Tick Eradication and repealing all laws and parts of law in conflict with this Act."

Read first time and referred to Committee on Civil Jurisprudence.

By Senator Bledsoe:

S. B. No. 43, A bill to be entitled "An Act creating and incorporating the Esticado Independent School District in Crosby County and Lubbock County, Texas, and defining the boundaries thereof, providing for a Board

of Trustees thereof, etc., and declaring an emergency."

Read first time and referred to Committee on Educational Affairs.

#### House Concurrent Resolution No. 5.

The President laid before the Senate House Concurrent Resolution No. 5, extending greetings to the President of the United States.

The resolution was read and adopted.

#### Simple Resolution No. 6.

Senator Page sent up the following simple resolution:

Whereas, The Thirty-sixth Senate of Texas adopted a resolution authorizing the Superintendent of Public Buildings and Grounds to turn over to the American Red Cross all waste paper in the State Capitol, and

Whereas, the American Red Cross has no longer any need for this donation; now therefore, be it

Resolved, by the Senate of Texas, That the Superintendent of Public Buildings and Grounds be and he is hereby authorized to turn over said waste paper to William B. Travis Chapter Daughters of the Republic of Texas.

The resolution was read and adopted.

#### Senate Bill No. 18.

The Chair laid before the Senate on the calendar:

S. B. No. 18, A bill to be entitled "An Act to create a more efficient road system for Eastland County, Texas, defining the duties and powers of the commissioners court of said county, relative to roads and bridges, and for other purposes."

The Committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Buchanan of Scurry, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 18 was put on its third reading and final passage by the following vote:

Yeas—25.

Alderdice.	Caldwell.
Bailey.	Carlock.
Bledsoe.	Clark.
Buchanan of Scurry.	Cousins.

Davidson.	Hopkins.
Dayton.	Page.
Dean.	Rector.
Dudley.	Smith.
Faust.	Suiter.
Floyd.	Westbrook.
Gibson.	Williford.
Hall.	Woods.
Hertzberg.	

Absent.

Buchanan of Bell. Witt.  
McNealus.

Absent—Excused.

Dorough.	Strickland.
Parr.	

The bill was read third time and finally passed by the following vote:

Yeas—25.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Suiter.
Dayton.	Westbrook.
Dean.	Williford.
Dudley.	Woods.
Faust.	

Absent.

Buchanan of Bell. McNealus.  
Dorough. Witt.

Absent—Excused.

Parr.	Strickland.
-------	-------------

#### Message From the House.

A messenger from the House presented himself at the bar of the Senate with the following message:

Hall of the House of Representatives,  
Austin, Texas, May 31, 1920.

Lieutenant-Governor W. A. Johnson,  
President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has adopted the following resolution:

H. C. R. No. 7, granting Hon. F. O. McKinsey, Judge of the 43rd Judicial District, leave of absence from the State.

Respectfully submitted,

NOEL K. BROWN,

Chief Clerk, House of Representatives.

#### House Concurrent Resolution No. 7.

The Chair laid before the Senate House Concurrent Resolution No. 7, granting leave of absence to Judge F. O. McKinsey.

The resolution was read and adopted.

#### Senate Bill No. 15.

The Chair laid before the Senate on the calendar,

S. B. No. 15, A bill to be entitled "An Act creating the Throckmorton Independent School District in Throckmorton County, Texas; defining its boundaries, including the present Throckmorton Independent School District; providing for a Board of trustees in said district, conferring upon said district and its boards of trustees all the rights, powers, privileges, and duties now conferred and imposed by the General Law of Texas upon independent school districts and the boards of trustees thereof, providing that the present board of trustees continue in office until the expiration of their respective terms; providing that the board of trustees of said district may levy, assess and collect taxes for the year 1920, and for future years; and declaring an emergency."

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Bledsoe, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 15 was put on its third reading and final passage by the following vote:

Yeas—25.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Suiter.
Dayton.	Westbrook.
Dean.	Williford.
Dudley.	Woods.
Faust.	

## Absent.

Buchanan of Bell. McNealus.  
Dorough. Witt.

## Absent—Excused.

Parr. Strickland.

The bill was read the third time and finally passed by the following vote:

## Yeas—25.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Suiter.
Dayton.	Westbrook.
Dean.	Williford.
Dudley.	Woods.
Faust.	

## Absent.

Buchanan of Bell. McNealus.  
Dorough. Witt.

## Absent—Excused.

Parr. Strickland.

## Senate Bill No. 9.

The Chair laid before the Senate, on the calendar,

S. B. No. 9, A bill to be entitled "An Act incorporating the Texarkana Independent School District, authorizing the election of school trustees, continuing the present trustees in office until the expiration of their term of office for which they have been elected under the existing law, which trustees shall be known as the Texarkana School Board; ratifying and confirming all official acts of the Texarkana School Board heretofore done and approved under a former act of the Legislature approved on the second day of May, 1907; giving said independent school district through its trustees, the power, and declaring an emergency."

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Alderdice, the

constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 9 was put on its third reading and final passage by the following vote:

## Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

## Absent.

Buchanan of Bell. McNealus.  
Dorough. Witt.

## Absent—Excused.

Parr.

The bill was read the third time and finally passed by the following vote:

## Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

## Absent.

Buchanan of Bell. McNealus.  
Dorough. Witt.

## Absent—Excused.

Parr.

## Simple Resolution No. 7.

Senator Westbrook sent up the following resolution:

Whereas, Hon. W. J. Townsend, a distinguished former member of this body, is in the city; therefore, be it Resolved, That he be invited to

address the Senate and that he be extended the privileges of the floor. The resolution was read and adopted.

#### Senate Bill No. 8.

The Chair laid before the Senate, on the calendar,

S. B. No. 8, A bill to be entitled "An Act creating the Loraine Independent School District in Mitchell and Nolan counties, Texas, providing for a board of trustees; vesting in such board corporate powers, etc., etc."

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Buchanan of Scurry, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 8 was put on its third reading and final passage by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

The bill was read the third time and finally passed by the following vote:

Yeas—26.

Alderdice.	Davidson.
Bailey.	Dayton.
Bledsoe.	Dean.
Buchanan of Scurry.	Dudley.
Caldwell.	Faust.
Carlock.	Floyd.
Clark.	Gibson.
Cousins.	Hall.

Hertzberg.	Strickland.
Hopkins.	Suiter.
Page.	Westbrook.
Rector.	Williford.
Smith.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

#### Address of Ex-Senator Townsend.

The Chair presented ex-Senator Townsend to the Senate, who expressed an appreciation of the courtesy extended him.

#### Message from the House.

A messenger from the House presented himself at the bar of the Senate, with the following message:

Hall of the House of Representatives.  
Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bills:

H. B. No. 14, A bill to be entitled "An Act creating the Ganado Independent Schood District in Jackson County, Texas, defining its boundaries, etc., and declaring an emergency."

H. B. No. 11, A bill to be entitled "An Act defining pipe and gas lines engaged, or to engage, in the transportation, sale, purchase, use or distribution of natural gas; declaring all corporations, persons, partnerships, or associations of persons now engaged, or hereafter to engage in buying, selling, distributing, and transporting natural gas for profit in this State to be public utilities, and making them subject to the provisions of this act; excepting certain companies from the provisions of this act; giving the Railroad Commission of Texas the power to fix and regulate the price of gas and the rates and charges by such public utilities for service; empowering said Commission to make rules and regulations for their conduct, and giving said Commission plenary power to make fair and equitable rules and



regulations for enforcing the provisions of this act; fixing penalties for violation of this act, and the rules and orders of the said Commission; making certain violations a criminal offense and fixing the penalty therefor, and providing means for the recovery of such penalties as are not made criminal, either by the State of Texas, or by the party aggrieved by such violation; naming the tribunal in which such recovery may be had, and providing for the recovery of excessive charges by patrons of such public utilities; providing for the equitable division of the proceeds of the sale of gas between transporting companies and distributing companies, and to apportion the supply of gas between places and persons and corporations; providing additional grounds for appointment of receivers; making this act cumulative, providing that the invalidity of any part of this act shall not invalidate the remaining parts hereof, and declaring an emergency."

Respectfully submitted,

NOEL K. BROWN,

Chief Clerk House of Representatives.

#### Senate Bill No. 17.

On the request of Senator Buchanan of Scurry, Senate Bill No. 17 was, by unanimous consent, taken up, and laid before the Senate:

S. B. No. 17, A bill to be entitled "An Act to create the 90th Judicial District; fixing its jurisdiction and the time of holding courts therein; providing for the appointment by the Governor of judge for 90th Judicial District; providing that the district clerk of Stephens County shall be an officer of said judicial district, fixing his compensation for services rendered therein, and providing for the filling of vacancies in the office of district clerk of said county; and providing further, for the transfer of cases from and to the forty-second judicial district court, and from one court to the other, and declaring an emergency."

The Senate rule requiring committee reports to lie on the table for one day was suspended by unanimous consent.

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Buchanan of Scurry, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 17 was put on its third reading and final passage by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

The bill was read the third time and finally passed by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

#### Senate Bill No. 23.

By the request of Senator Bledsoe, Senate Bill No. 23 was taken up and considered out of its order, by unanimous consent,

S. B. No. 23, A bill to be entitled "An Act to create the 89th Judicial

District in Wichita County, Texas, to provide for the terms and the jurisdiction thereof; for the appointment of a judge of said district court; for the transfer of cases from the dockets of this and other courts provided for said county so as to expedite the trial of cases; to provide for a clerk of said court and for the prosecution of criminal cases in said court and by the district attorney of the 30th Judicial District, and in his absence by the county attorney of Wichita County, and declaring an emergency."

The Senate rule requiring committee reports to lie on the table one day was suspended by unanimous vote.

The committee report that the bill be not printed was adopted.

#### Message from the Governor.

A messenger from the Governor presented herself at the door of the Senate with the following executive messages:

Governor's Office,  
Austin, Texas, May 31, 1920.  
To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Representative Beard I submit for your consideration the following subject, to-wit:

"An Act creating the Fairview Independent School District in Milam and Williamson Counties, Texas."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 31, 1920.  
To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Senator Buchanan and Representative Biggers, I submit for your consideration the following subject:

"An Act to create the.....Judicial District; fixing its jurisdiction and time of holding Courts therein; etc., and declaring that an emergency exists requiring the immediate passage of this act."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 31, 1920.  
To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: At the request of Rep-

resentative Hill, I submit for your consideration the following subject, to-wit:

"An Act to create the Miami Independent School District in Roberts County, Texas."

Respectfully submitted,  
W. P. HOBBY,  
Governor.

Governor's Office,  
Austin, Texas, May 31, 1920.  
To the Thirty-sixth Legislature in Third Called Session.

Gentlemen: In the spring of 1919, numerous accounts against the Texas State Railroad were brought to my attention by the various creditors of the line. When it occurred to me that unpaid accounts were becoming so general, I thought it advisable to investigate the situation and accordingly requested the Railroad Commission of Texas on July 25th, 1919, to make an audit of the books and accounts of the road. This audit has been practically completed and I take this means of communicating to you the conditions as shown by the investigation made. I am attaching hereto the following exhibits to be printed in your journal:

Exhibit A.—My letter to the Railroad Commission July 25th, 1919, requesting that an audit be made.

Exhibit B.—Reply from the Commission bearing date of July 31st, 1919.

Exhibit C.—Letter from Chairman Mayfield of the Railroad Commission dated September 9th, 1919, to which is attached first report of Auditor Fitzgerald to the Commission.

Exhibit D.—Report of Auditor Fitzgerald dated December 3rd, 1919, to which is attached condensed balance sheet general ledger as of October 31, 1919.

Exhibit E.—Report of Special Agent R. V. Nichols of the Attorney General's Department bearing date of December 22, 1919.

Exhibit F.—Letter from my Secretary to Manager Welborn of the Texas State Railroad dated December 23, 1919.

Exhibit G.—Letter from Commissioner Gilmore of the Railroad Commission dated February 2, 1920, to which is attached Auditor Fitzgerald's report of January 30, 1920.

Exhibit H.—Letter from Mr. C. H. Arnold, Auditor of the Prison Commission bearing date of February 23, 1920.

Exhibit I.—Report of Auditor Fitzgerald bearing date of February 24, 1920.

Exhibit J.—My letter to Attorney

General Cureton bearing date of March 3, 1920.

Exhibit K.—Letter from the Attorney General bearing date of March 4, 1920.

Exhibit L.—Report of Auditor Fitzgerald bearing date of March 5, 1920.

I believe the documents above referred to will give you as accurately as possible the conditions existing with respect to the Railroad.

Referring back, however, to Exhibit F, namely, letter from my Secretary to Manager Welborn, you will permit me to advise that it specifically refers to vouchers covering pay roll for labor performed by employees of the road and to accounts covering the purchase of cross ties for the use of the road, for which an appropriation was made by the last Legislature.

These accounts require the approval of the Governor before the warrants can be issued by the Comptroller. When these discrepancies were discovered I deemed it advisable and to the best interests of the State to withhold approval of any further accounts until the investigation was completed.

At my request, Auditor Fitzgerald of the Railroad Commission has handed me a memorandum showing in detail shortages in the accounts of the various employees as follows:

J. B. Welborn, former Manager .....	\$4,068.17
D. A. Hulsey, former Au- ditor and Agent at Rusk..	2,586.20
R. P. Dean, former Agent at Palestine.....	1,163.90
Frank Lacy, former Agent at Maybelle.....	400.17

Mr. Dean has paid back his shortage to the amount of \$411.65, leaving a balance still due the road by him of \$752.25. Mr. Lacy has paid in full his shortage of \$400.17.

In addition to the above shortages in the accounts of former employees, over payment and discrepancies in tie vouchers to the amount of \$1,369.68 exist but Auditor Fitzgerald advises that this can be adjusted with R. A. Grogan from whom the ties were purchased. Ties have been purchased from him since the investigation for which payment has not been made. This is due to the fact that the accounts are held in abeyance by me until a satisfactory adjustment can be made of the discrepancies in prior payments.

In addition to the above, Mr. Fitzgerald estimates that some five or ten

thousand ties have been purchased which were not put in the track, but which were otherwise disposed of, and that the average cost of these ties is 65c per tie, which would amount to probably \$6,500.00.

As shown by the Exhibits hereto attached, this matter is receiving attention at the hands of the Attorney General, the Board of Prison Commissioners and myself. The discrepancies referred to herein have received attention at the hands of the Grand Jury of Cherokee County, and are, at this time, receiving attention of the Anderson County Grand Jury.

In this connection, I desire to invite your attention to the necessity of making appropriations to cover outstanding accounts against the road; which accounts have been or will be submitted to your committees by the Board of Prison Commissioners.

In addition to this, I recommend that an appropriation be made sufficient to put the road on a good operating basis after which, it is believed by those in charge, it will be self-sustaining, which will of course make it a more attractive proposition to prospective purchasers.

Respectfully submitted,  
W. P. HOBBY,  
Governor.

"A."  
Governor's Office,  
Austin, Texas, July 25, 1919.  
To the Railroad Commission, Austin,  
Texas.

Gentlemen: I beg to ask that you have the books and accounts of the State railroad audited at the earliest time suitable to your convenience.

Thanking you for your attention to the matter, I am,

Very sincerely yours,  
(Signed) W. P. HOBBY,  
Governor.  
Copy.

"B."  
Railroad Commission of Texas.  
Austin, Texas, July 31, 1919.  
Hon. W. P. Hobby, Governor, State  
Capitol, Austin, Texas.

Dear Sir: Beg to acknowledge receipt of your letter of July 25, 1919, asking that an audit be made of the State railroad books and accounts.

Arrangements will be made for an audit at an early date.

In this connection permit us to advise that annual report for year ending December 31, 1919, of the Texas State railroad has not been received, although we have repeat-

edly called Manager Welborn's attention to the matter. It would be desirable to have this report before making the audit, in order that said report may be checked and verified.

If this is agreeable and satisfactory to you, we will arrange accordingly.

Yours very truly,

Copy.

.....  
Commissioner.

"C."

Railroad Commission of Texas.

Austin, Texas, September 9, 1919.

Hon. W. P. Hobby, Governor, State Capitol, Austin, Texas.

Dear Sir: Referring to your letter of July 25, 1919, asking that an audit be made of the records and accounts of the Texas State Railroad, beg to enclose herewith, copy of report made by our auditor, regarding the conditions existing at Rusk, in connection with the general books of the Texas State Railroad.

Respectfully,

(Signed) ALLISON MAYFIELD,

Copy.

Chairman.

Railroad Commission of Texas.

Austin, Texas, September 8, 1919.

To the Honorable Railroad Commission of Texas, Austin, Texas.

Gentlemen: Referring to request of the Governor, that an audit be made of the records and accounts of the Texas State Railroad.

In accordance therewith, I proceeded to Palestine for that purpose. Mr. Welborn, general manager, was out of the city. Finding that the auditor was located at Rusk, I went there.

Investigation developed the fact that the books had not been written up since December 31, 1917, and that it will require sometime to do this, before an up-to-date check can be made. The general books and data pertaining thereto are kept at Rusk by the auditor, while vouchers and disbursement records are kept by the manager at Palestine.

An analysis was made of the operating expense accounts from July 1, 1913 (the date the road was taken over from the Penitentiary Commission), to and including December 31, 1917.

As soon as the books are written up-to-date, the investigation and check may be resumed and completed, and full statements made thereof.

Respectfully,

(Signed) W. E. FITZGERALD,

Copy.

Auditor.

"D."

Austin, Texas, December 3, 1919.

To the Honorable Railroad Commission, Austin, Texas.

Gentlemen: Referring to request made by the Governor that an audit be made of accounts of the Texas State Railroad.

As previously advised you, the books and accounts had not been written up since December, 1917, in addition to the general books not being written up, it was found there were many bills not vouchered or taken into account; bank balances; station accounts; traffic balances and other current accounts not checked.

The work has now been brought up to date, all indebtedness that could be located has been booked, the various accounts checked to date, that is to the close of business October 31, 1919.

In order to show the exact status of the Texas State Railroad there is submitted herewith a condensed balance sheet of the general ledger as of October 31, 1919, together with detailed exhibit of operations for each year since the line was opened for business. The statements are self explanatory, showing that notwithstanding appropriations made by the Legislature aggregating \$284,390.49, the road now has a deficit of \$43,939.11, of which there is audited vouchers, pay rolls and traffic balances aggregating \$36,689.81 that must be provided for in some way, as the revenues derived from transportation are not sufficient to meet the current expenditures.

It has been found that all revenues have not been remitted direct to the State Treasurer as required by law, at the three stations, Palestine, Rusk and Maydelle it has been the practice to make advances to employes and otherwise disburse moneys which should be remitted direct to the State Treasurer. Also money is deposited in local banks, then transferred to a general fund in one bank at Palestine. Drafts on foreign roads for traffic balances are deposited in the Palestine bank and payments for traffic balances due to foreign roads are made through the bank instead of warrants drawn on the Treasurer.

All of these transactions require an endless amount of bookkeeping and confusion that could be avoided if a proper system of handling prevailed.

The office of the auditor is located



at Rusk, notwithstanding that the principal accounting features, pay rolls, vouchers and bank accounts are handled in the office of manager at Palestine. This entails unnecessary work on the part of both offices which could be avoided if the auditor was located at Palestine, also prevent a repetition of the accounts being neglected with the knowledge of the manager.

While all of the accounts have been written up to October 31, 1919, and balanced, only two of the bank accounts have been verified against the bank statements to that date, namely the Royal National Bank and Campbell National Bank of Palestine. The remaining two accounts of banks at Maydelle and Rusk were not in accord with the books and it was

found statements from those banks were needed to complete the check.

Auditor Hulcy left Palestine last Saturday morning to get the necessary statements. As soon as they are obtained, unless the differences are satisfactorily shown, I will return to Palestine to verify them.

In order to make a complete audit of the accounts, it will be necessary to check the warrants issued by the Comptroller since July 1, 1913, and examine the bills supporting such warrants, as that work will require considerable time, I am submitting this report reflecting the existing conditions, and upon completion of the work of checking warrants and verifying bank balances will report the result thereof.

Respectfully submitted,  
W. E. FITZGERALD.

### TEXAS STATE RAILROAD.

#### Condensed Balance Sheet General Ledger, October 31, 1919.

##### Assets.

Cost of road and equipment.....	\$628,624.73	
Extension of line to Dallas.....	424.98	
Current assets:		
Due from station agents.....	\$ 867.46	
Due from companies and individuals.....	2,772.64	
Due from banks:		
Royal National Bank .....	10.42	
First National Bank, Rusk .....	.10	
Farmers and Merchants Bank, Maydelle.....	1,253.91	
Farmers and Merchants Bank, Rusk.....	1,595.08	
Campbell State Bank .....	121.62	6,621.23
State Treasurer:		
Unexpended appropriation.....	\$9,926.23	
Expired appropriation.....	4,897.25	
Adjustments .....	683.30	15,506.78
Texas Steel Company.....		7,334.02
Other assets, uncollectible.....		116.43
Paid claims unadjusted.....		841.16
Excess liabilities over assets.....		43,939.11
Total.....		\$703,408.44

##### Liabilities.

First mortgage bonds.....	\$100,000.00	
Huntsville general account.....	526,483.76	
Accrued interest unpaid.....	24,583.24	
Audited vouchers and pay rolls.....	\$21,670.68	
Less: Advanced to employes.....	1,822.97	19,847.71
Foreign road balances.....		17,842.10
Unadjusted credits.....		2,232.59
Employes hospital fund.....		458.30
Due United States Government (War tax) .....		806.40
Equipment depreciation.....		11,154.34
Total.....		\$703,408.44

"E."

Austin, Texas, December 22, 1919.  
Honorable W. P. Hobby,  
Governor, State of Texas,  
Capitol.

In Re Texas State Railroad Investigation:

Dear Sir: In compliance with your request and that of Judge W. A. Keeling that I go to Maydelle, Texas, to investigate certain charges against the management and operation of the Texas State Railroad, I beg to advise that I followed out the instructions and now beg to report. I herewith give you, first, a brief summary of my investigation which reflects the true facts so far as the transactions carried out by one Frank Lacy, Ticket Agent for said road at Maydelle.

To begin, I first started on Mr. Lacy's bank account kept with the Farmers and Merchants Bank at Maydelle and found that Mr. Lacy kept the railroad account in his own name, according to the bank books, he had deposited since November 18, 1918, up to December 12, 1919, \$4783.71. He had checked out, payable to the State Railroad account, during this time \$4139.48, leaving a difference of \$444.25 which should be to the credit of said account; however, this amount has been checked out payable to various people.

For instance, I notice one check drawn on this account payable to Hoke Peacock, the engineer of this road, for \$10; another to W. J. Phillips, the fireman of said road, for \$10. Several small checks payable to Mrs. Lacy, his wife, and two checks, each for \$10, payable to the Royal National Bank of Palestine, also one payable to Wright Ear Phone Company for \$10 was found. I also found a personal note of his for \$30 which had been charged off to this account, and many other small checks which are too numerous to mention.

Upon further examination, I found that Mr. Lacy was addicted to drink and had fallen so low as to drink all kinds of extracts, antiseptics, etc., and had given checks to the amount of \$8.00 for these extracts. Some two hundred fifty bottles were found in the office, in the warehouse, and under the floor, so evidently the poor fellow has not been able to tell his own account from that of the Texas

State Railroad account for some time. I brought one dozen empty bottles home with me taken from his desk in the depot office at Maydelle which speak for themselves.

I next looked into the way he handled his freight collection. It was reported to me that he was in the habit, when making out a freight bill, should he make an over-charge, he would correct the duplicate but take advantage of the merchant, not knowing the rate on certain commodities, and collect the full amount as appeared on the original and enter on his office cash book the corrected amount as appeared on the duplicate.

When I heard of this, I went to the merchants and got some of their paid freight bills, then I went to the station and made a comparison with the following results: (Copy of freight bills attached hereto and made a part of this report).

On June 16, 1919, Mrs. J. T. Hoodsombock had shipped to her a box of talcum powder, the freight collected on this bill, No. 679, was \$1.46, the amount entered in his cash book was \$ .95.

On September 3, 1919, B. D. Watson paid \$3.77 on twenty cases of soda water, freight bill No. 1067, Lacy entered in his cash book \$2.62. On October 9, 1919, J. M. Bengé paid \$60.94 freight on one car of cotton seed, freight bill No. 1270. Mr. Lacy entered in his cash book \$53.34 plus \$1.60 war tax. This amount was paid by check. The deposit slip shows at the bank that this check was endorsed for \$60.94 with instructions to give the account credit for \$54.94 and the difference of \$6.00 was paid Lacy in cash.

These are only a few of the many instances like the above. The copies of freight bills in the depot office had been misplaced in many instances, especially, those that did not correspond with the original.

Mr. J. B. Welborn, manager of said road, was out there checking up Mr. Lacy and Welborn said to me that Lacy had some four or five hundred dollars worth of freight bills uncollected. He sent Mr. Hill and Mr. Dean out Sunday morning with the bills and the first man they struck made the statement that he had paid this bill and went back to his files and pulled out the original freight bill marked "paid" by Mr. Lacy on it. Therefore, it appears

that Mr. Lacy must have made collections for which he made no entry on his cash book at all.

We will now go to the Texas State Railroad's dealing in eggs. From December 14, 1918, to October 15, 1919, Mr. Lacy, ticket agent, bought from the merchants the following number of dozens of eggs and paid for them out of freight handled for which no returns to the amount of \$115.00 have ever been entered. From December 14, 1918, to October 15, 1919, there were bought for J. B. Welborn, manager of said road, 80 dozen eggs. For this same time, there were bought for R. P. Dean, ticket agent for said road at Palestine, 40 dozen eggs, two pounds of butter and three crates of tomatoes. There was bought for E. Dupree, conductor for said road, 15 dozen eggs; there were bought for Mrs. B. L. Noble (who I understand is a stenographer in the Palestine office) 8 dozen eggs and a bushel of sweet potatoes. There were bought for J. T. Warley, restaurant man in Palestine, 30 dozen eggs; there were bought for R. P. Driscoll, chief mechanic of said road, 4 dozen eggs. There were bought for D. L. Hulsey, auditor of said road, eggs and butter to the amount of \$2.75.

The above memoranda was found in a little book kept by Lacy in the depot office. In most instances, the amounts were marked "paid", except J. B. Welborn's and R. P. Dean's. A pencil notation was made at the bottom of the page by Lacy as follows:

"A draft has been drawn on Welborn and Dean for \$115, but turned down."

Upon examination at the bank, I found that Lacy had drawn the draft and taken credit on his account but when the draft was returned unpaid, the cashier charged it off. Consequently, the State Railroad paid for these eggs and has not to this good hour been reimbursed. Mr. Lacy is not in charge of the Maydelle office at this time.

Mr. Welborn was over there checking in a man by the name of Mr. Hill who seems to be a nice gentleman and is a citizen of Maydelle. Mr. Hill gave me a little book which contained the memoranda regarding the eggs.

I desire now to call your attention

to a statement made by Mr. Lacy to Mr. F. M. Boon, a citizen of Maydelle. This statement will be verified in a few days over Mr. Boon's signature. This statement, in substance, is as follows:

"Mr. Boon, I understand that Welborn is going to transfer me from the Maydelle office over to the Palestine office. If he does, I am going to recommend to Mr. Welborn that he put you in charge of this office. You know I have a scheme where we can make some good money. All you have to do is to sign your name and say nothing and the crowd, or gang, will all understand."

Boon said that he looked at him and said:

"Now, Lacy, if you are talking to me about putting something over on the Texas Railroad, you are talking to the wrong man. If I have to agree to steal to get this job, you are not talking to the right man."

At this point he said that the conversation ceased, and there was nothing further said.

I will now discuss the buying and handling of cross ties. While this information is not authentic, I will tell the story as it was told to me. Mr. J. M. Bengé said to me that R. A. Grogan told him that he had the exclusive contract to furnish the Texas State Railroad all its cross ties. He stated that he was cutting the ties off of the State land. He further stated that the Prison Commission owed him some money that he could not collect, and that this was the only way he could get his money.

I asked Mr. Welborn, in person, from whom he bought his cross ties, and he said from Mr. Grogan. Then he told about the same story as told by Mr. Bangs. Welborn stated further that they had exhausted their \$10,000 appropriation made by the last Legislature for cross ties, and that he did not know what they would do from now on.

In going from Maydelle to Palestine, Mr. Dupree, the conductor, came in and sat down with me and began discussing the affairs of the road and making excuses for Mr. Lacy relative to his drinking and regretting that he had brought about so much confusion and trouble relative to the operation of the road. I asked Mr. Dupree about the cross

ties and whom they were bought from and he told me about the same story as heretofore told. I asked Mr. Dupree if all of the \$10,000 appropriation to buy ties with had been exhausted and he said that it had. I asked him if it had all been spent for cross ties and he said "No," and stated further that "the laborers on the road had been paid out of this appropriation." I told him that the appropriation read: "Ten Thousand Dollars to buy cross ties," and he said "Yes," but there were no other funds available to pay laborers and in order to hold them they had to pay them out of this fund.

I will now discuss briefly some complaints made by the merchants, especially the merchants at Maydelle. It seems that the officers of said road and the merchants are at loggerheads. The merchants tell me that if they phone an order to a wholesale house, either in Palestine or Rusk, three hours before train time that said railroad will not bill this order out until the following day. The merchants, also, complained that, without an exception, when a shipment of eggs or chickens go out over this road that a report of three to five dozen eggs lost on each shipment is reported. They have repeatedly complained about this and put in claim against said road, but not one cent damage have they ever received.

This completed my investigation and I offer an apology for so roughly making my report; however, it is the best I could do in view of the fact that I had but little time to make up my report.

In behalf of the citizens along the State Railroad and the Texas Railroad, I want to state that I traveled over said roads from Palestine to Rusk and returned. On both trips the train was loaded to its capacity, stopping at every switch to take up a loaded car and setting out empties, and it does seem to me that if this road could be placed under the proper management that it, undoubtedly, could be made to maintain its own operation without additional expense to be appropriated by the Legislature.

Mr. Hill, now in charge of the Maydelle railroad office, told me Saturday morning that he had orders for nine cars and on passing each station, I would hear people asking

Mr. Dupree when they could expect a car. I am just mentioning these facts for your information in hope that something can be done so that the road can still stay in operation and the merchants and citizens along said railroad can enjoy the benefits therefrom.

Trusting that I have covered the situation, however, briefly and roughly, to your satisfaction,

Most respectfully submitted,

(Signed) R. V. NICHOLS,  
Special Agent.

"F."

Governor's Office,  
Austin, Texas, Dec. 23, 1919.

Mr. J. B. Welborn, Manager, State Railroad, Palestine, Texas.

Dear Mr. Welborn: I am returning herewith, unapproved, Vouchers Nos. 3918, 3917, 3920, 3922, and 3923. The Governor is not inclined to approve further accounts against the appropriation for the operation of State Railroads unless the person in whose favor the account is, makes proper affidavit himself to the account.

The Attorney General has also ruled that the clause "To the best of his knowledge and belief" should not be included in any affidavit and that such clause has the effect of invalidating the oath. Of course you will realize that the party who furnishes the ties is in position to make affidavit that so many ties were furnished and as to payrolls, etc., you ought to be in position to make unqualified affidavit to them. When enclosed vouchers are properly verified, the Governor will give them his consideration.

Yours sincerely,

Secretary.

Enclosure.

"G."

Railroad Commission of Texas.  
Austin, Texas, Feb. 2, 1920.

Hon. W. P. Hobby, Governor, State Capitol, Austin, Texas.

Dear Sir: Referring to the matter of audit of the Texas State Railroad accounts; beg to enclose herewith copy of report made by our auditor respecting investigation of expendi-



tures made for ties purchased and also disposition of same.

Respectfully,  
CLARENCE E. GILMORE,  
Commissioner.

Copy.

Railroad Commission of Texas.  
Austin, Texas, Jan. 30, 1920.  
To the Honorable Railroad Commission of Texas, Austin, Texas.

Gentlemen: Since my last report to you pertaining to audit of Texas State Railroad accounts, I have had under investigation the expenditures made for ties out of special appropriation for that purpose, and beg to submit herewith the result:

From May, 1918, up to and including December, 1919, there has been issued vouchers for ties aggregating the sum of \$23,283.22, representing 36,436 ties delivered on the right of way at different points on the line.

Examination and audit of these vouchers show errors, discrepancies and duplicate payments aggregating \$1,369.68 as shown by detailed examination of errors pertaining to each voucher, viz:

Voucher No. 2799. Included in this voucher is payment for 308 ties at 51c—\$175.56. Should be 308 ties at 51c—\$157.08—difference \$18.48 overcharge. The calculation is based on price of 57 cents per ties, if price is correct no overcharge exists.

Voucher No. 2961. Includes payment for 262 ties at 47c—\$133.14. Should be 262 ties at 47c—\$123.14—difference \$10.00 overcharge.

Voucher No. 2964. Includes payment for 1130 oak ties at 55c—\$621.50. Reports attached to voucher show to have been increased as follows:

Report, Sept. 22, 1918, changed from 407 to 557, increase 154 ties.

Report, Oct. 5, 1918, changed from 220 to 300, increase 80 ties.

Report, Sept. 21, 1918, changed from 200 to 273, increase 73 ties.

Voucher should therefore have been issued for 823 oak ties at 55c—\$452.65—difference \$168.85 overcharge.

Voucher No. 3046. Includes payment for 449 pine ties without substantiating report attached. Investigation shows payment for said ties included in Voucher 3033 issued January 4, 1919—overcharge \$224.50. This voucher also shows 934 pine

ties paid for at rate of 80 cents per tie, while the reports attached do not show these ties to be Class 5, which class takes that rate.

Voucher No. 3053. Includes payment for 1365 pine ties at rate of 80 cents per tie, while reports attached to voucher do not show these ties to be Class 5.

Voucher No. 3055. Includes payment for 550 ties at 60c—\$350.00. Should be \$330.00, overcharge \$20.00.

Includes payment for 160 oak ties at 80c—\$128.00. Report shows these ties to be class 4 ties. Should be 160 ties at 73c—\$116.80, overcharge \$11.20. Total overcharge, this voucher, \$31.20.

Voucher No. 3064. Includes payment of 280 pine ties at 80c—\$304.00 and 59 oak ties at 65c—\$38.35. Total \$342.35. No report attached showing delivery. Investigation shows payment for these ties included in Voucher 3097, issued January 31, 1919.

Voucher No. 3070. Included payment for 503 oak ties at 65c—\$326.95. Reports attached to voucher show delivery of 500 at 65c. Should be \$325.00, overcharge \$1.95.

Voucher 3101. Includes payment for 589 ties at 70c—\$422.30. Should be \$412.30, overcharge \$10.00. Reports attached to voucher show number of ties should be 689 ties, undercharge for 100 ties at 70c—\$70.00. Net undercharge this voucher \$60.00.

Voucher No. 3109. This voucher issued September 8, 1919, reads:

"To ties furnished during August as per list attached, \$1,730.60."

There is no list attached showing how many ties this voucher covers. There are five reports attached showing delivery of 1,643 ties as follows:

		Class 3	Class 4	Oak	Class 5 Pine
Aug. 26, 1919	196	161	...	...	79
" 29, 1919	200	70	10	...	60
Sept. 3, 1919	300	...	...	...	...
" 3, 1919	...	66	...	...	51
" 4, 1919	236	214	...	...	...
Total	932	511	10	190	1643

Voucher should therefore be for:

932 ties at 60c... \$559.20  
511 ties at 70c... 357.70  
10 ties at 73c... 7.30

190 ties at 80c... 152.00  
 Total .....\$1,076.20  
 Issued for..... 1,730.60  
 Overcharge .....\$ 654.40

Voucher 3129. Includes payment for 638 pine ties at 60c—\$382.80. Reports attached show it should be 632 at 60c—\$379.20, overcharge \$3.60.

Voucher No. 3134. Includes payment for 550 pine ties at 70c—\$385.00. Reports attached show it should be 559 ties at 70c—\$391.30, undercharge \$6.30.

Voucher 3913. Includes payment for 13 oak ties Class 3 at 70c—\$9.10. Should be 13 ties at 65c—\$8.45, overcharge 65c.

All of the foregoing vouchers issued in favor of R. A. Grogan and the amount of overpayments aggregating \$1,369.68 should be collected from him.

In order to ascertain disposition of the 36,436 ties purchased or represented to have been delivered, the daily work reports of each section foreman showing the number of ties actually put in track for the period from May, 1918, to December, 1919, have been tabulated and such reports show there has been put in the track 32,178 ties, leaving a shortage of 4,258 ties not accounted for.

In addition to above shortage, the daily work reports show that they have been in a great many cases altered and the "number" of ties put in changed to show an increased number of ties put in, such alterations or increases are plainly evident although in most instances the original figures cannot be determined. There are a sufficient number of alterations to indicate a systematic attempt to show an increased number of ties put in track.

The work of auditing the station agent's accounts has not yet been completed owing to the confused conditions resulting from the number in which former auditor, Hulcy, neglected such accounts, there being many discrepancies existing over a year or more back. Manager Welborn is at present at work on these accounts and as soon as all adjustments are made the work of auditing said accounts can be completed. At the present time the accounts show due from D. A. Hulcy, former agent,

Rusk, \$177.72, and due from Frank Lacy, former agent, Maydelle, \$425.82. These parties are no longer in the service.

Respectfully submitted,  
 W. E. FITZGERALD,  
 Auditor.

"H."

Texas State Railroad.

Palestine, Texas, Feb. 23, 1920.

J. B. Welborn, Auditor.

C. H. Hurdleston, Manager,

Refer to File 171.

Hon. W. P. Hobby, Governor of Texas, Austin, Texas.

My dear Governor: Am enclosing inventory of the Texas State Railroad together with list of Accounts Payable, Accounts Receivable, Traffic Balance and a list of the balance on hand with the Comptroller of the Appropriations, which I have this day completed.

In taking the inventory I was compelled to leave value of railroad dump or grade, as there was no data or cost estimate on same. The trackings and profiles are in Austin with Mr. R. D. Parker, Engineer of the Railroad Commission.

I am going to recheck my figures and values with what data I can find at Huntsville and am writing Mr. R. D. Parker today for an estimate value on the grade so as to include same.

Many irregularities and shortages are showing up in checking and considerable time is taken up to recheck and place the responsibility where it justly belongs.

Yours very truly,  
 C. H. ARNOLD,  
 Auditor State Prison System.

"I."

Palestine, Texas, Feb. 24, 1920.

To the Honorable Railroad Commission of Texas, Austin, Texas.

Gentlemen: Referring to the request of the Governor that I assist Mr. Wylie in taking over the affairs of the State Railroad, beg to submit the following preliminary report:

General.

On arrival here, there was obtained from each of the banks, statements showing actual amount of money in each bank, as follows:

Campbell State Bank \$108.39  
 Royal National Bank 127.31

An inventory was made by Mr. Arnold, Auditor of the Prison Commission, of all property here. Leaving Palestine we proceeded over the line and completed inventory of all material located on right of way, at stations and at Rusk. At Maydelle, statement was obtained from the Farmers & Merchants Bank, showing balance due Texas State R. R. \$163.29. At Rusk, statement was obtained from the First National Bank, showing balance due Texas State R. R. \$236.70.

#### Bank Accounts.

After obtaining bank statements, I proceeded to check up the books against the statements, which work was started on my previous trips here, these accounts are badly confused, owing to fact that the manager checked out funds for any purpose without showing what each check was for and it will require a vast amount of detail checking to locate all of the irregularities; at the present time the following has been located:

#### Royal National Bank, Palestine.

There was carried on the general ledger prior to January 31st, 1917, an account styled "Remittances in Transit" which was supposed to represent remittances made by agents in one month but not reaching banks until after close of month.

The ledger shows balance to that account on December 31st, 1916, of \$3,327.85, and an entry appears on the ledger, showing the Royal National Bank was not charged with the amount, but instead, an account on the books styled "Huntsville General Account" was charged, this was done apparently to cover up the existing shortage at the bank.

In September, 1919, and October, 1919, "Huntsville General Account" was charged with two items, one for \$243.97 and one for \$96.35 and the Royal National Bank credited, same being fictitious entries. This makes total discrepancy of \$3,668.17, chargeable to Manager Welborn.

Entries in the books for this are made by Manager Welborn and I have not called on him for an explanation, presuming that will be taken up by the Governor through the Attorney General or Prison Board, at the same time an accounting is demanded to

cover the tie shortage which has been previously reported. There may be further fictitious entries of this kind but as it will take considerable time to go into the details of every account on the books to locate them, I am now reporting on the foregoing and it will be necessary to take up later the question of going into these details more fully.

#### Station Accounts.

These accounts have been greatly confused, discrepancies and irregularities appear, in all the records and it will require an endless amount of checking, extending back over a period of years to finally determine just what the shortages are; so far I have located the following:

North Rusk, D. A. Hulcy, Agent, \$1,936.37.

Maydelle, Frank Lacy, Agent, \$644.82.

Palestine, R. P. Dean, Agent, \$362.74.

The checking of North Rusk and Maydelle are about complete and it is not expected there will be any changes of importance affecting these accounts; the Palestine agency will require several days more time to complete and the shortage may be materially increased. The agent, R. P. Dean, now claims that the amount taken up by him in his accounts when assuming charge of the station in November, 1918, was not actually the balance transferred to him, the record of the amount and his monthly statements of accounts do not bear out his contention and I am basing his shortage on what the record shows and what he assumed when taking charge of station.

On account of the condition of records, it may be necessary to obtain data from some of the principal shippers here and on the line, showing the freight bills they have paid and then see if they have been accounted for properly or not.

This preliminary report is made in order that the Governor and Prison Commission may have the facts that have been ascertained, am therefore, mailing today, copy of this report direct to the Governor and one to the Prison Commission.

Respectfully submitted,

W. E. FITZGERALD.

"J."

Governor's Office,  
Austin, Texas, March 3, 1920.  
Hon. C. M. Cureton, Attorney General,  
Austin, Texas.

Dear General: I am enclosing herewith letter I have received from Hon. R. M. Johnston, Chairman of the Prison Commission, together with a copy of a report from Auditor Fitzgerald with respect to the Texas State Railroad.

Also enclosed herewith you will find bonds of certain employees of the railroad, together with a copy of my telegram notifying the bonding company of discrepancies in the accounts of the individuals, covered by these bonds.

This matter is being passed to your Department, that prompt action may be had on the bonds of these employees who are delinquent.

In this connection it is well to advise that the original bond of J. B. Welborn, formerly manager of the railroad, is not enclosed, inasmuch as we have been unable to locate it, however, the premium has been remitted, and this bond is, by reason of that fact, in full force and effect.

Yours sincerely,

W. P. HOBBY,  
Governor.

Enclosures.

"K"

Attorney General's Department,  
State of Texas.

Austin, Texas.  
Hon. W. P. Hobby, Governor of Texas,  
Austin, Texas.

Dear Sir: The Department is in receipt of your favor of the 3rd, with enclosures as follows:

Copy of telegram dated March 1, 1920, directed to the United States Fidelity and Guaranty Company, Baltimore, Md.;

Letter from W. B. Thompson, dated February 17, 1920, addressed to James J. Fannin, Secretary of the Board of Prison Commissioners, Huntsville, Texas;

Letter from R. M. Johnston to W. P. Hobby, Governor, dated February 20, 1920;

Copy of letter to the United States Fidelity Guaranty Company, New York, dated February 17, 1920, from Joseph Welborn, Manager of the Texas State Railroad;

Copy of Inventory of the Texas State Railroad;

Continuation certificate issued by the United States Fidelity and Guaranty Company, continuing in force Bond H. O. Number 401054-17, on behalf of Jos. Bowen Welborn, Manager of the State Railroad in favor of Jas. E. Ferguson, Governor of the State of Texas, for extended term beginning on the first day of January, 1919, and ending on the first day of January, 1920, dated October 15, 1918, signed by the President of the United States Fidelity and Guaranty Company;

Daily abstract of interline way-bills received;

Bond number 401215-18, in the sum of \$2,500 issued by the United States Fidelity and Guaranty Company of Baltimore, Md., on behalf of Dechard Anderson Hulsey, employed in the capacity of auditor by the Texas State Railroad at Rusk, dated July 18, 1918, term of bond May 30, 1918 to May 30, 1919;

Bond number 401358-18, in the sum of \$1,000, issued by the United States Fidelity and Guaranty Company of Baltimore, Md., on behalf of Jacob F. Vermillion, employed as agent by the Texas Railroad, Rusk, Texas, dated October 9, 1918, term of bond from September 12, 1918, to September 12, 1919;

Letter from Baltimore, Md., February 7, 1920, as follows:

Joe B. Welborn, Manager, Texas State Railroad, Palestine, Texas.

Dear Sir: In Re Rease P. Dean, No. 401572-18. Your letter of the 15th ult., to hand. We have changed our records to show Mr. Dean located at Palestine, Texas, instead of Maydelle, Texas. You are hereby protected by our bond at Palestine, instead of Maydelle. Yours very truly,

Signed by Superintendent Railroad Department.

Continuation certificate issued by the United States Fidelity and Guaranty Company, continuing in force Bond H. O. Number 401358-18, on behalf of Jacob F. Vermillion, Agent Texas State Railroad, in favor of the Board of Prison Commissioners, dated July 1, 1919, signed by President of the United States Fidelity and Guaranty Company;

Transfer of liability issued by the United States Fidelity and Guaranty Company, consenting to the transfer of liability under its bond Number 401054-17, executed on behalf of Jos. Bowen Welborn, issued under date of



January 1, 1917, in favor of Jas. E. Ferguson, and W. P. Hobby, Governor, dated January 13, 1920, signed by the President;

Continuation certificate continuing in force Bond H. O., Number 401276-18, on behalf of Rease P. Dean, agent of the Texas State Railroad, in favor of the Board of Prison Commissioners, beginning on the first day of August, 1919, and ending on the first day of August, 1920, for the sum of \$1,000, signed by the President.

Bond Number 401276-18, for the sum of \$1,000, payable to the Board of Prison Commissioners, employer, on behalf of Rease P. Dean, employee, Agent of the Texas State Railroad, Maydelle, Texas, dated August 7, 1918, term from August first, 1918 to August 1, 1919.

Copy of letter dated January 16, 1920, from J. B. Welborn to Miss Coral Ozment Huran, Agent for the United States Fidelity and Guaranty Company, Palestine, Texas.

Notations upon the daily abstract of interline way-bills received by the Texas Railroad indicates remittances, shortages, names of parties, but is not sufficient to enable this Department to take any definite action at this time. It seems that your action in advising the surety company and having a careful audit of the accounts made with the view of preparing a complete statement, is the proper procedure and all that is necessary until further development.

The Department will appreciate further information when your audit has been completed and a statement made up.

Yours very truly,  
JAS. R. WILEY,  
Assistant Attorney General.

"L"

Railroad Commission of Texas.  
Austin, Texas, March 5, 1920.

To the Honorable Railroad Commission of Texas, Austin, Texas.

Gentlemen: Further referring to report made to you dated at Palestine, February 24, 1920, in connection with Texas State Railroad:

It being deemed advisable to relieve R. P. Dean, Agent, Palestine, arrangement to that effect was made by Mr. Wiley and new agent Mr. Richardson, installed at the close of business on February 29, 1920, to do this, it became necessary to check up all accounts as far as possible to that date from records available. Mr. R. P.

Dean had charge of Palestine station from November 18, 1918, on that date relieving Frank Lacy, who was transferred to Maydelle; in my former report reference is made to claim of R. P. Dean that amount taken up by him in his accounts when assuming charge of the station was not actually the balance transferred to him. I have since located that the difference is partly accounted for in a shortage of \$628.83 that existed at Maydelle, Texas, while R. P. Dean was agent there.

In checking out Mr. Dean from available records there existed a shortage of \$411.65 against which was allowed salary due him of \$242.27, leaving actual shortage \$169.38, which I am advised by Mr. Wiley was paid by Dean the next day March first. In accepting this payment on account it was agreed and understood that a further and complete check of the account will be necessary. As there were many items of cash papers remitted by agent for credit that could not be located although credit for same had been allowed by former Auditor Hulcy and Manager Welborn.

The situation in respect to the station accounts is that the three stations, North Rusk, Maydelle and Palestine will have to be gone over in detail during the entire period that Hulcy, Lacy and Dean were in charge of those stations in order to ascertain precisely what discrepancies exist; the accounts have been so badly handled by former Auditor Hulcy that it will require the time of an expert station accountant, thirty or sixty days to do this provided all records can be located.

In the matter of shortage in bank account chargeable to Manager Welborn which is covered by a false entry made by him crediting the bank with \$3,327.85 in January, 1917, and other items mentioned in my report of February 20, 1920, an effort was made to locate the station accounts prior to the above date in order to ascertain whether the shortage is covered by failure of agents to make specific remittances, but the station records may be due to funds checked out at various times. This is a matter of detail that can be taken up later if necessary. The false entry is sufficient to prove the shortage. The detailed check is necessary to prove out whether or not other fictitious entries have been made and should be undertaken as soon as possible. In order to assist Mr. Wylie in getting all matters straightened out it

was decided to make a check of accounts of the new agent at Maydelle and the joint agency at Rusk for which purpose I telegraphed the Commission requesting the assistance of Mr. Moore, and at the same time telegraphed Auditors of the Cotton Belt and T. & N. O. requesting a joint check of Rusk Agency. The effort to obtain joint check was unsuccessful and is still subject of correspondence between Mr. Wylie and the other lines.

Mr. Moore went to Maydelle, going over the account with present agent from time he was installed in December, 1919, to date, making complete check and instructing agent fully how to handle his accounts in order that they would be kept correctly.

Mr. Moore on his return to Palestine also finished writing up the General Books for month of December, 1919, and making proper entries closing books for the year.

All the transactions and entries for the months of January and February, 1920, are ready to be written up and Mr. Wylie should have a bookkeeper to do that. If one is employed, I can in two or three days line him up in order that the current work will be properly cared for.

Have brought to Austin all papers relating to the tie shortage, also agents monthly account current and other data covering shortage at the three stations. The General Ledger and Journal showing false entries to bank account have been placed in the Campbell National Bank at Palestine in care of Mr. Campbell, this being done to insure against loss by fire or theft of these records which are absolutely essential in proof of claim against bond company.

Respectfully submitted,  
W. E. FITZGERALD.

#### Senate Bill No. 23.

The bill was read second time and passed to engrossment.

On motion of Senator Bledsoe, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 23 put on its third reading and final passage by the following vote:

Yeas—26.

Alderdice.	Caldwell.
Bailey.	Carlock.
Bledsoe.	Clark.
Buchanan of Scurry.	Cousins.

Davidson.	Hopkins.
Dayton.	Page.
Dean.	Rector.
Dudley.	Smith.
Faust.	Strickland.
Floyd.	Suiter.
Gibson.	Westbrook.
Hall.	Williford.
Hertzberg.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

The bill was read the third time and finally passed by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

#### House Bills Read and Referred.

The Chair had referred, after their captions had been read, the following House bills:

H. B. No. 11, to the Committee on Internal Improvements.

H. B. No. 14, to the Committee on Educational Affairs.

#### Senate Bill No. 24.

On the request of Senator Bledsoe, Senate Bill No. 24 was taken up out of its order by unanimous consent and considered:

S. B. No. 24, A bill to be entitled "An Act creating the County Court at Law for Wichita County, Texas, and fixing and defining its duties, powers

and jurisdiction and also fixing the salaries of the Judge of the County Court at Law and the salary of the County Judge of Wichita County, and declaring an emergency."

On the motion of Senator Bledsoe, the Senate Rule requiring committee reports to lie on the table one day was suspended by unanimous consent.

The Committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Bledsoe, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 24 was put on its third reading and final passage by the following vote:

**Yeas—26.**

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

**Absent.**

Buchanan of Bell.	McNealus.
Dorough.	Witt.

**Absent—Excused.**

Parr.

The bill was read third time and finally passed by the following vote:

**Yeas—26.**

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

**Absent.**

Buchanan of Bell.	McNealus.
Dorough.	Witt.

**Absent—Excused.**

Parr.

**Senate Bill No. 30.**

On the request of Senator Hall, Senate Bill No. 30 was taken up out of its order by unanimous consent and considered:

S. B. No. 30, A bill to be entitled "An Act creating the Hahn Prairie Independent School District in Wharton County, Texas; defining its boundaries; providing for a Board of Trustees in said district, conferring upon said district and its board of trustees all the rights, powers, privileges and duties now conferred and imposed by the General Laws of Texas, upon independent school districts and the board of trustees thereof; declaring that all taxes or bonds heretofore authorized by any former school district included within the bounds thereof shall remain in full force and effect; and declaring an emergency."

On the motion of Senator Hall the Senate rule requiring committee reports to lie on the table one day was suspended.

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Hall, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 30 was put on its third reading and final passage by the following vote:

**Yeas—26.**

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

**Absent.**

Buchanan of Bell.	McNealus.
Dorough.	Witt.

**Absent—Excused.**

Parr.

The bill was read the third time and finally passed by the following vote:

**Yeas—26.**

Alderdice.	Bledsoe.
Bailey.	Buchanan of Scurry.

Caldwell.	Hall.
Carlock.	Hertzberg.
Clark.	Hopkins.
Cousins.	Page.
Davidson.	Rector.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.
Floyd.	Smith.
Gibson.	Strickland.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

**Senate Bill No. 22.**

On the request of Senator Bledsoe, Senate Bill No. 22 was taken up out of its order by unanimous consent and considered:

S. B. No. 22, A bill to be entitled "An Act creating Weatherly Common School District No. 19 in Hall County, Texas, providing a Board of Trustees thereof, providing that said Common School District and the Board of Trustees thereof shall have and enjoy all the rights, etc., etc., and declaring an emergency."

On the motion of Senator Bledsoe, the Senate Rule requiring committee reports to lie on the table one day was suspended.

The committee report that the bill be not printed was adopted.

The bill was read second time and passed to engrossment.

On motion of Senator Bledsoe, the constitutional rule requiring bills to be read on three several days was suspended and S. B. No. 20 was put on its third reading and final passage by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

The bill was read the third time and finally passed by the following vote:

Yeas—26.

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Scurry.	Hertzberg.
Caldwell.	Hopkins.
Carlock.	Page.
Clark.	Rector.
Cousins.	Smith.
Davidson.	Strickland.
Dayton.	Suiter.
Dean.	Westbrook.
Dudley.	Williford.
Faust.	Woods.

Absent.

Buchanan of Bell.	McNealus.
Dorough.	Witt.

Absent—Excused.

Parr.

**Adjournment.**

On the motion of Senator Woods, the Senate stood adjourned until Tuesday morning at 10 o'clock.

**APPENDIX.**

Several petitions were sent up and referred to the Committee on Educational Affairs by the following Senators: Page, Buchanan of Scurry, Floyd, Clark, and Carlock.

**Committee Reports.**

Committee Room.

Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Engrossed Bills have had Senate Bill No. 5 carefully compared and find same to be correctly engrossed.

FAUST, Chairman.



## Committee Room.

Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: Your Committee on Education, to whom was referred Senate Bill No. 30, have had same under consideration, and I am directed to report it favorably with the recommendation that it do pass and be not printed.

ALDERDICE, Chairman.

## Committee Room.

Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: Your Committee on Education, to whom was referred Senate Bill No. 29, have had same under consideration and I am directed to report it favorably with the recommendation that it do pass.

ALDERDICE, Chairman.

## Committee Room.

Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: Your Committee on Education, to whom was referred Senate Bill No. 14, have had same under consideration and I am directed to report it favorably with the recommendation that it do pass.

ALDERDICE, Chairman.

## Committee Room.

Austin, Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: Your Committee on Education, to whom was referred Senate Bill No. 22, have had same under consideration and I am directed to report it favorably, with the recommendation that it do pass and be not printed.

ALDERDICE, Chairman.

## (Floor Report)

## Senate Chamber,

Austin, Texas, May 29, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Judicial Districts, to whom was referred S. B. No. 24, have had the same under consideration and report same back to the Senate with the recommendation that it do pass and be not printed.

Witt, Vice-Chairman; Bailey, Hall, Rector, Williford.

## (Floor Report)

## Senate Chamber,

Austin, Texas, May 29, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Judicial Districts, to whom was referred S. B. No. 23, have had same under consideration and report same back to the Senate with the recommendation that it do pass and be not printed.

Witt, Vice-Chairman, Bailey, Hall, Rector, Williford.

## (Floor Report)

## Senate Chamber,

Austin, Texas, May 29, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Judicial Districts, to whom was referred S. B. No. 17, have had the same under consideration and beg to report same back to the Senate with the recommendation that it do pass and be not printed.

Witt, Vice-Chairman, Bailey, Hall, Rector, Williford.

## Committee Room.

Austin Texas, May 31, 1920.

Hon. W. A. Johnson, President of the Senate.

Sir: We, your Committee on Agriculture, to whom was referred Senate Bill No. 27, have had the same under consideration and beg leave to report same back to the Senate with recommendation that it do pass and be printed in the Journal only.

BLEDSON, Chairman.

By Senator Dayton. S. B. No. 27.

## A Bill

## To be Entitled

An Act to amend Chapter 74 on pages 139 and 140 of the General Laws of the Regular Session of the Thirty-fifth Legislature of Texas, as amended by Chapter 154 on pages 284 and 285 of the General Laws of the Regular Session of the Thirty-sixth Legislature of Texas, so as to prohibit the sale or offering for sale of road vehicles of certain carrying capacity with tires of less than the herein prescribed width within the State of Texas, fixing penalties for the violation thereof; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas.

That Chapter 74 of the General Laws of the Regular Session of the Thirty-fifth Legislature of Texas shown on pages 139 and 140 of said General Laws of said Regular Session of said Thirty-fifth Legislature, as amended by the General Laws of the Regular Session of the Thirty-sixth Legislature of Texas shown on pages 284 and 285 of said General Laws of said Regular Session of said Thirty-sixth Legislature, be and the same is hereby amended so as hereafter to read as follows:

Section 1. That it shall be unlawful from and after the passage of This Act for any person, firm, association or corporation to sell or offer for sale within the State of Texas any wagon or other road vehicle with an intended carrying capacity of more than two thousand pounds and not exceeding four thousand five hundred pounds which shall have a rim or tire on the wheels of same less than three inches in width; or any such wagon or other road vehicles with an intended carrying capacity of more than four thousand five hundred pounds which shall have a rim or tire on the wheels of same less than four inches in width.

Section 2. This Act shall apply to all persons, firms, associations or corporations engaged in the sale of road vehicles, either at wholesale or retail, but shall not apply to individuals, selling or offering for sale road vehicles purchased for their individual use.

Sec. 3. Any firm, association or corporation violating the terms of this Act, shall be subject to a penalty of not less than one hundred (\$100.00) dollars nor more than one thousand (\$1,000.00) dollars for each offense to be collected for the benefit of the county in which such violation may occur; and any person violating the terms of this Act, shall be subject to a fine of not less than one hundred (\$100.00) dollars nor more than one thousand (\$1,000.00) dollars for each offense, and each sale or offer of sale in violation hereof shall constitute a separate offense.

Sec. 4. The fact that wagons with an intended carrying capacity of four thousand five hundred pounds are urgently and immediately needed by the

farmers of this State for the handling of their crops, and that it is impracticable to supply or to use said wagons in many parts of this State when they have rims or tire exceeding three inches in width, creates an emergency and an imperative public necessity requiring the suspension of the Constitutional rule requiring that all bills be read on three several days, and said rule is suspended, and this Act shall take effect and be in force from and after the passage, and it is so enacted.

#### TENTH DAY.

Senate Chamber,  
Austin, Texas,  
Tuesday, June 1, 1920.

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Lieutenant Governor W. A. Johnson.

The roll was called, a quorum being present, the following Senators answering to their names:

Alderdice.	Floyd.
Bailey.	Gibson.
Bledsoe.	Hall.
Buchanan of Bell.	Hertzberg.
Buchanan of Scurry.	Hopkins.
Caldwell.	Page.
Carlock.	Parr.
Clark.	Rector.
Cousins.	Strickland.
Davidson.	Suiter.
Dayton.	Westbrook.
Dean.	Williford.
Dorough.	Witt.
Dudley.	Woods.
Faust.	

Absent—Excused.

McNealus. Smith.

Prayer by the Chaplain, Rev. S. H. Morgan.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Alderdice.

#### Senators Excused.

On the motion of Senator Hall, Senator Smith was excused for today.

On the motion of Senator Buchanan of Scurry, Senator Dorough was excused for Saturday and Monday.

On the motion of Senator Bailey,